

South Carolina  
**DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
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July 13, 2007

## **MEDICAID BULLETIN**

**TO: Physician Enhanced Program Providers**

**SUBJECT: Physician Enhanced Program**

The South Carolina Department of Health and Human Services (SCDHHS) implemented its first managed care program in 1996. Over the last ten years, the agency has evaluated various models of voluntary managed care. One early model was the Physician Enhanced Program (PEP). Two other coordinated care models that are currently operational in the South Carolina Medicaid program are Primary Care Case Management (PCCM) or Medical Homes Networks (MHN) and Managed Care Organizations (MCO).

The current PCCM/MHN model is an enhancement of the PEP model. Individual practices within PEP helped to spearhead the development of the current PCCM/MHN model of care. The PCCM/MHN model combines the case management component of PEP with the quality assurance and accountability measures mandated of our managed care programs. There are over 64,000 Medicaid beneficiaries enrolled in the PCCM/MHN program across the state. There are less than 5,000 beneficiaries enrolled in PEP.

Effective September 1, 2007, PEP will be discontinued. Medicaid beneficiaries enrolled in PEP will be able to choose among the various coordinated care models offered in their respective counties of residence or be enrolled in the regular fee-for-service program. Currently, there are less than 15 primary care practices that serve 50 or more PEP members. We encourage PEP providers to consider working with both MCO and PCCM/MHN plans to afford patients the opportunity to choose a health plan that best meets their needs.

Thank you for your participation in the Medicaid program and for your commitment to ensuring access to quality healthcare services for beneficiaries. If you have any questions regarding this bulletin, please contact your Physician Services program representation at (803) 898-2660. If you would like more information regarding the MCO or PCCM/MHN programs, please contact the Division of Care Management at (803) 898-4614.

/s/

Susan B. Bowling  
Acting Director

SBB/gwd

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